

3.0 PROJECT DESCRIPTION

3.1 Introduction

The Redevelopment Agency of the City of San Diego (Agency) is proposing to establish the Grantville Redevelopment Project Area, which would encompass an approximately 970-acre area within the eastern portion of the City. The primary purpose of establishing this redevelopment project area is to create a strong economic base within, and for, portions of the Navajo and Tierrasanta Communities and neighborhoods surrounding the Project Area. The establishment of a redevelopment project area will provide a catalyst to eliminate economic blighting conditions. After adoption of the proposed redevelopment project area, the Agency would implement subsequent redevelopment activities with the purpose of improving the area's quality of life, improving underutilized land and buildings, eliminating incompatible land uses and parcels of irregular size and form which hinder development, address issues such as insufficient parking and inadequate vehicle access. Redevelopment activities would also allow for the protection and enhancement of the ecologic value and function of San Diego River; as well as provide recreational opportunities adjacent to the river, and provide public/private support for the San Diego River Park.

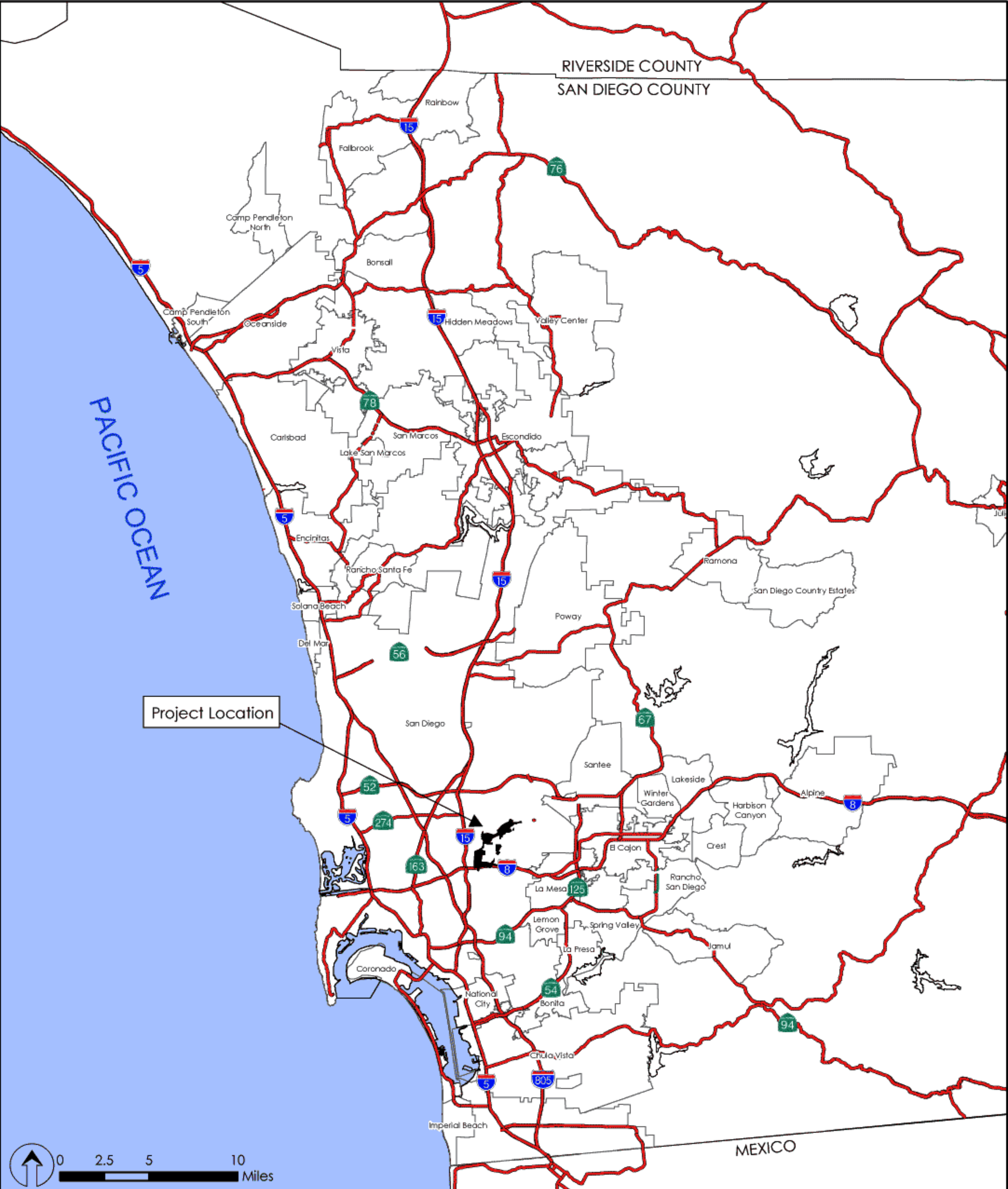
The San Diego City Council ("City Council") adopted Resolution No. R-147378, on May 6, 1958, creating the San Diego Redevelopment Agency ("Agency") for the purpose of pursuing redevelopment activities in the City pursuant to the CCRL (Health and Safety Code Section 33000 et. Seq.). The Agency is authorized by the City Council to implement redevelopment plans within designated Redevelopment Project Areas throughout the City.

On March 30, 2004 the City Council designated the Grantville Redevelopment Survey Area through adoption of Resolution No. 299047, for purposes of determining the feasibility of a redevelopment project. From that survey area, proposed Project Area boundaries were selected for further study and analysis. On August 10, 2004, the Planning Commission of San Diego approved the Preliminary Plan for the Grantville Redevelopment Project and the boundaries of the Grantville Redevelopment Project Area.

The proposed redevelopment project and subsequent redevelopment activities will be implemented by the Agency. The Agency is the "Lead Agency" for preparation of this EIR under CEQA.

3.2 Project Location and Boundaries

The proposed Grantville Redevelopment Project Area is located in San Diego County, in the City of San Diego. The City of San Diego is located adjacent to the United States International Border with Mexico and approximately 130 miles south of Los Angeles (Figure 3-1). The Project Area is situated in the eastern portion of the City and consists of three non-contiguous subareas (referred to as Subarea A, Subarea B and Subarea C). Figure 3-2 depicts the boundaries and subareas of the Grantville Redevelopment Project Area. The three subareas are described as follows:



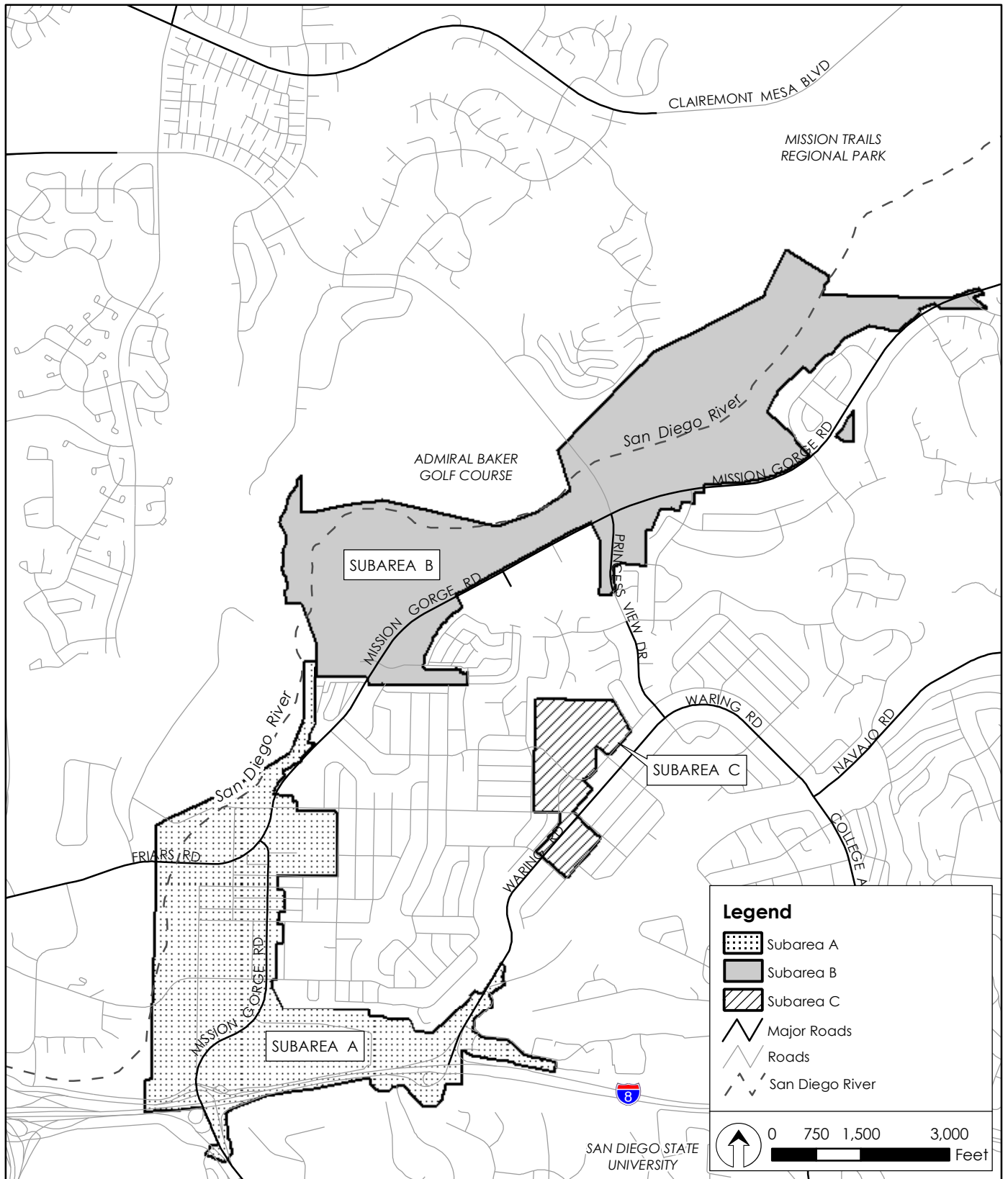
SOURCE: SANDAG and BRG Consulting, Inc., 2004

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Grantville EIR Regional Vicinity

FIGURE
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SOURCE: SanGIS and BRG Consulting, Inc., 2004

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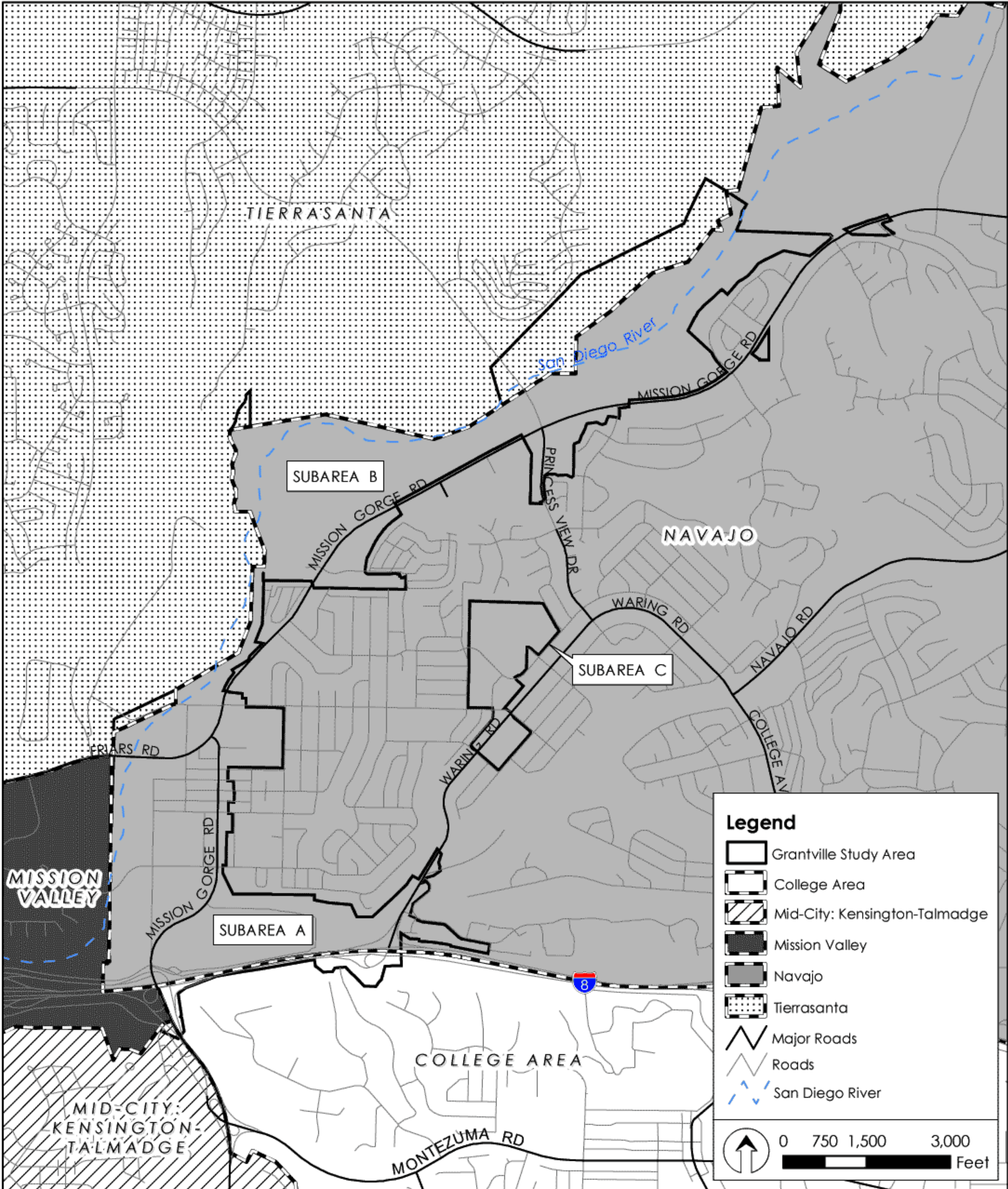
- **Subarea A** – Subarea A is comprised of commercial, office, industrial, public facility, park and open space uses immediately north of I-8 and located along both sides of Fairmount Avenue, Friars Road and Mission Gorge Road north to Zion Avenue (and including several parcels north of Zion Avenue). The southeast portion of Subarea A also includes the first seven parcels on the southern side of Adobe Falls Road (starting at Waring Road). Subarea A comprises approximately 400 acres.
- **Subarea B** – Subarea B consists of the commercial, office, industrial, sand and gravel, and open space uses located along Mission Gorge Road from Zion Avenue, northeast to Margerum Avenue. Within this subarea, sand and gravel processing operations take place on both sides of the San Diego River. The western boundary is defined by the residential neighborhood along Colina Dorada Drive. Subarea B comprises approximately 505 acres.
- **Subarea C** – Subarea C includes a shopping center, retail uses and community facilities at, and adjacent to, the intersection of Zion Avenue and Waring Road. The Allied Gardens Community Park, and other community services such as the Edwin A. Benjamin Library, Lewis Middle School, and two churches are included as the community facilities in this subarea. Subarea C comprises approximately 65 acres.

The City of San Diego has adopted a number of community plans that provide land use development guidelines for property within each community. The proposed Grantville Redevelopment Project lies within the boundaries of three such community plans; the Navajo Community (82%), the Tierrasanta Community (18%), and the College Area Community Plans (less than 1%). Figure 3-3 depicts the boundaries and neighborhoods of these Community Planning Areas. All redevelopment activities will need to conform to the applicable Community Plan and the City's Land Use Development Code and the approval process for activities covered by the applicable Community Plan and the City's Land Use Development Code. The only exception is the southern portion of the Interstate 8 (I-8) interchanges at Fairmount Avenue and Waring Road, which are in the College Area Community Plan. Both interchanges are California Department of Transportation (Caltrans) right-of-ways and were included in the Project Area as possible traffic improvements and would be subject to Caltrans regulations.

3.3 Project Characteristics

The Project Area is located in a primarily urbanized portion of the City; however, portions of the Project Area (north of Mission Gorge Road) include the San Diego River, and undeveloped areas associated with existing and historical sand and gravel operations. Land uses include commercial, office/professional, open space, industrial, public/institutional, recreational and open space land uses and vacant land. Problem conditions that are proposed to be addressed through redevelopment include:

- Deterioration and dilapidation;
- Defective design;
- Ineffective transportation design and conditions;
- Incompatible uses;



SOURCE: SanGIS and BRG Consulting, Inc., 2004

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- Inadequate lot size;
- Industrial pollution; and,
- Low lease rates.

The Agency proposes the Grantville Redevelopment Project as a catalyst to reverse the physical and economic blight in the area. Redevelopment would achieve the purposes of the CCRL (Health and Safety Code Section 33000 et. seq.) by:

- Eliminating physical and economic blighting conditions;
- Replacement of obsolete and deteriorated public improvements and facilities;
- Rehabilitation of industrial and commercial structures;
- Planning, redesign, and development of areas which are underutilized;
- Participation of owners and tenants in the revitalization of their properties;
- Providing affordable housing;
- Restoration of waterways and reduction of urban runoff along the San Diego River; and,
- Revitalization of commercial and industrial districts.

3.3.1 Redevelopment Project Actions

The Grantville Redevelopment Project will involve a number of subsequent actions over a 30-year time period to implement the Redevelopment Project. Redevelopment actions undertaken by private development interests and public agencies within the Redevelopment Project Area may include:

- a. Rehabilitating, altering, remodeling, improving, modernizing, clearing or reconstructing buildings, structures and improvements;
- b. Rehabilitating, preserving, developing, or constructing affordable housing in compliance with State Law;
- c. Providing the opportunity for owners and tenants presently located in the Redevelopment Project Area to participate in redevelopment projects and programs, and extending preferences to occupants to remain or relocate within the Redevelopment Project Area;
- d. Providing relocation assistance to displaced residential and nonresidential occupants, if necessary;
- e. Facilitating the development or redevelopment of land for purposes and uses consistent with the Redevelopment Plan;
- f. Providing incentives for property owners, tenants, businesses, and residents to participate in improving conditions throughout the Redevelopment Project Area;
- g. Acquiring real property by purchase, lease, gift, request, devise, or any other lawful means, after the conduct of appropriate hearings;

- h. Combining parcels and properties where and when necessary;
- i. Preparing building sites and constructing necessary off-site improvements;
- j. Acquiring, installing, developing, constructing, reconstructing, redesigning, planning, replanning and reusing streets, curbs, gutters, sidewalks, traffic control devices, utilities, flood control facilities, and other public improvements and public facilities;
- k. Providing additional parking throughout the Redevelopment Project Area;
- l. Providing for open space;
- m. Managing property owned or acquired by the Agency;
- n. Assisting in procuring financing for the construction of residential, commercial, industrial and office buildings to increase the residential and commercial base of the Redevelopment Project Area, and the number of jobs in the City;
- o. Disposing of property including the lease or sale of land at a value determined by the Agency for reuse in accordance with the Redevelopment Plan;
- p. Establishing controls, restrictions, or covenants running with the land, so that property will continue to be used in accordance with the Redevelopment Plan;
- q. Vacating or abandoning streets, alleys, and other thoroughfares, as necessary, and dedicating other areas for public purposes consistent with the objectives of the Redevelopment Plan;
- r. Providing replacement housing where required;
- s. Applying for and utilizing grants, loans, and any other assistance from federal, and state governments, or other sources;
- t. Taking actions the Agency determines are necessary and consistent with state, federal, and local laws to make structural repairs to buildings and structures, including historical buildings, to meet building code standards related to seismic safety;
- u. Taking actions the Agency determines are necessary and consistent with state, federal and local laws to remedy or remove a release of hazardous substances on, under or from property within the Redevelopment Project Area or to remove hazardous waste from property;
- v. Preparing and carrying out plans for the improvement, rehabilitation, and redevelopment of blighted areas and creating a variety of economic development programs which will help build a stronger economic base within the Redevelopment Project Area;
- w. Assisting businesses in the Redevelopment Project Area with façade improvements and general rehabilitation by providing loans and grants; and,
- x. Adopting specific design guidelines for projects to ensure a consistent design theme which will guide rehabilitation, new development, developers, architects, and builders.

3.3.2 General Plan Consistency

As required by the CCRL, the land uses designated in the Redevelopment Plan will be consistent with those called for by the City of San Diego Progress Guide and General Plan. As described above, the applicable community plans are the Navajo Community Plan and the Tierrasanta Community Plan.

3.3.3 Development Potential

The land uses and intensity of development permitted in the Redevelopment Project Area would not exceed that currently allowed by the City's General Plan and associated Community Plans, and as implemented through the underlying zoning designations. The Redevelopment Project would be expected to result in the development of larger, more coordinated individual development projects, and a more rapid pace of development and redevelopment than would take place without the use of redevelopment powers. One of the purposes of the redevelopment project is to eliminate conditions of economic and physical blight in the Redevelopment Project Area, and to stimulate development.

To estimate environmental effects of the proposed project, land development expected to occur in the Redevelopment Project Area over the next 30 years has been estimated based on currently adopted Community Plan land uses, with also the consideration of current and projected market trends related to various development types in the City. Table 3-1 depicts the existing development within the Project Area and Table 3-2 depicts the estimated increase in development anticipated within the Project Area as a result of redevelopment activities and consistent with existing regulations. Assuming development of currently vacant parcels and redevelopment of existing developed parcels according to the existing Community Plan land uses, a shift in the type and intensity of development would occur in the Project Area. It is estimated that commercial development would be increased by 302,460 square feet, industrial development would be increased by 6,145,342 square feet, single-family dwelling units would be increased by 48 units, multi-family dwelling units would be increased by 86 units, and commercial recreation would increase by two acres. Assuming that parcels redevelop according to the community plan, a decrease in certain types of existing uses would occur, and include a reduction of future office development by 168,619 square feet, institutional facilities by 68,953 square feet, religious facilities by 117,148 square feet, quarry extraction by 101 acres and agriculture (nursery) by one acre.

Existing land use was derived through a comprehensive land use survey of the Project Area of existing land use type and building development on each individual parcel of the Project Area. As previously described, the development estimates depicted in Table 3-2 are based on current and projected market trends related to various development types in the City. Generally, a Floor Area Ratio (FAR) range between .34 and .40 is assumed for most non-residential uses. It should be noted that existing land use regulations in the Project Area allow an FAR up to 2.0; however, the application of the .34 to .40 range is considered a more realistic estimate of future growth based on land use and infrastructure (e.g., roadway) capacities in the Project Area. Figure 4.1-1 in Section 4.1, Land Use, of this EIR depicts the existing land uses within the redevelopment Project Area, and Figure 4.1-2 depicts the Community Plan land use. The estimates provided in Table 3-2 are subject to variation because of the range of options available for many sites, the long development period (i.e., 30 years) being considered, and the inability to predict new market forces that may decide development potential over the life of the redevelopment project.

TABLE 3-1
Existing Land Uses

Land Use Type	Net Acres	Existing Building Square Feet
Single-Family Residential	1.45	N/A
Commercial	125.50	1,290,019.37
Office	21.26	364,829.12
Communications and Utilities	0.96	2,959.26
Commercial Recreation	18.89	0
Industry – Light	258.60	2,190,134.89
Industry – Extractive	200.38	2,503.01
Public Services	13.31	73,479.25
Schools	24.90	N/A
Transportation	112.66	0
Agriculture (Nursery)	0.10	4,552.38
Parks	68.92	0
Undeveloped/Vacant	69.02	0
Water	8.56	0
Hospital	32.98	882,278
Religious Facilities	12.53	117,147.66
TOTAL	970.02	4,972,720

Source: BRG Consulting, Inc., 2004.

TABLE 3-2
Estimated Increase in Development in the Project Area

Land Use Type	Estimated Dwelling Units	Estimated Non-Residential Square Footage
Commercial Uses		302,460
Industrial Uses		6,145,342
Single-Family Residential	48	
Multi-Family Residential	86	

Source: BRG Consulting, Inc.

3.4 Project Objectives

The overall objective of the proposed Redevelopment Plan is to eliminate and prevent the recurrence of blight in the Project Area. Physical and economic blight conditions indicate that without public action, the area will continue to stagnate, resulting in the worsening of existing problems in the future.

Redevelopment provides financial resources and implementation powers with which the Agency can encourage broad reinvestment in the Grantville Redevelopment Project Area, by making public

investments, providing incentives for private investments, and assembling properties suitable for new development at current standards. To fund the improvements needed to revitalize, rehabilitate, and attract private development to the Grantville Redevelopment Project Area, the Agency will utilize tax increment financing.

3.4.1 Redevelopment Project Objectives

Specific objectives for the Grantville Redevelopment Project include:

1. Eliminate and prevent the spread of blight and deterioration, and redevelop the proposed redevelopment Project Area in accordance with the City of San Diego Progress Guide and General Plan, applicable community plans, the Proposed Redevelopment Plan, and local codes and ordinances;
2. Enhance economic growth within the Redevelopment Project Area by continuing ongoing efforts to revitalize industrial and commercial areas;
3. Improve the flow of traffic within the Redevelopment Project Area and otherwise enhance the quality of pedestrian and vehicular mobility, and improve transportation facilities, which support the vitality, safety, and viability of the Redevelopment Project Area;
4. Alleviate the shortage of parking while avoiding negative impacts on residential neighborhoods resulting from the oversupply of parking by implementing a coordinated and comprehensive plan for the proportional distribution and proper configuration of parking spaces and facilities;
5. Expand employment opportunities within the Redevelopment Project Area by encouraging the development of manufacturing enterprises and improving accessibility of employment centers within and outside the Redevelopment Project Area;
6. Improve public infrastructure and undertake other public improvements in, and of benefit to, the Redevelopment Project Area, such as undergrounding electrical distribution lines and telephone lines along major streets, widening, reducing or otherwise modifying existing roadways or creating additional streets for proper pedestrian and/or vehicular circulation;
7. Expand recreational opportunities within the Project Area;
8. Create an attractive and pleasant environment within the Redevelopment Area.

3.4.2 Projects and Programs

3.4.2.1 *Economic Development Programs*

Economic development programs are needed to improve the Redevelopment Project Area's economic base. These programs would facilitate the revitalization of blighted properties by using redevelopment tools. Agency staff will pursue reuse, redevelopment, and revitalization of nonconforming, vacant, or underutilized properties through marketing of the area and encouragement of private sector investment. Potential projects include, but are not limited to:

- Assist with rehabilitation of industrial and commercial buildings throughout the Redevelopment Project Area;
- Assist in the development of commercial nodes along Mission Gorge Road including mixed-use projects;
- Assist in the development of additional parking opportunities throughout the Redevelopment Project Area;
- Assist in the development of light industrial and manufacturing parks; and
- Assist in assembling land for new development.

Economic development initiatives include implementation of an industrial and commercial rehabilitation program. This program would provide assistance in the form of grants and/or low interest loans to eligible Redevelopment Project Area businesses to encourage and assist in modernizing and improving industrial and commercial structures. The reinvestment in the business community would include façade improvements, rehabilitation of deteriorated buildings, hazardous materials disposal and signage upgrades.

Furthermore, the Agency proposes a proactive business expansion and retention program that would encourage new businesses to locate within the boundaries of the Redevelopment Project Area, and assist in the retention of existing businesses. This investment in the business community may include expanded marketing of the area, improvements to business facilities to meet modern market demands, and other actions to deter sales tax leakage.

3.4.2.2 *Low And Moderate Income Housing Programs*

As provide by CRL Section 33334.2(a), no less than 20 percent of all tax increment revenue allocated to the Agency shall be used for the purpose of increasing, improving, or preserving the community's supply of low and moderate income housing. Taken together, these factors present a substantial challenge for the Agency, yet also provide an opportunity to influence the community by providing resources to maintain the low and moderate housing stock and to assist residents with homeownership. In order to meet these objectives, the Agency may develop new programs for property owners such as:

- First-Time Home Buyer Program – Develop a training program for first time homebuyers to educate them about saving for, financing and caring for a home. Another facet of the program could offer “silent second” mortgages to homebuyers that are very low or low income according to HUD guidelines. Both the realty and backing communities would be key participants in this program.
- Rehab Loan Program for Single-Family Owner-Occupants – This program would be offered to existing homeowners and provide grants, low-interest rate loans for property improvement or additions. This would assure residents live in safe and sanitary housing and alleviate overcrowded conditions by constructing additional bedrooms as needed.
- Multi-Family Rehabilitation Program – Offer low interest rate loans to rehab units occupied predominantly by very low, low and moderate income residents. This would assure that owners are

able to maintain their property even though their revenue stream may be compromised by lower lease rates.

- Multi-Family Apartment Owners Program – Organize apartment owners similar to a Business Improvement District (BID) to enable owners to coordinate marketing, security, property management, tenant issues and maintenance.
- Senior Housing – As existing residents age, the development of senior housing complexes would enable residents to stay in their neighborhood when they can no longer maintain their homes.
- Landmarks/Gateways – Develop signage, streetscape or landscaping to identify different communities.
- Urban Design Linkages – Create connections between parks and open spaces and neighborhoods. The communities could be linked to existing parks and open spaces.
- Residential Sales/Rental Office – A strategically located office should be established to market and disseminate information about residential opportunities in the community. The office would also give information about education facilities, business and retail services and employment opportunities. This office would be in close proximity to a community service center so that existing residents could also benefit.
- Residential Marketing Materials – Marketing materials could be created for prospective home buyers, realtors, banks and business people. Possible material may include a community video, neighborhood brochures, Internet home page, and maps showing landmarks and parks. These materials could be located at the sales/rental office and at the community service center.

Further, the Agency may exercise any or all of its powers, including, but not limited to, the following:

- Acquire land or building sites;
- Improve land or building sites with on- or off-site improvements;
- Donate land to private or public persons or entities;
- Acquire, rehabilitate and/or construct buildings or structures;
- Provide subsidies to or for the benefit of persons or families of very low, low, or moderate income;
- Develop plans, pay principal and interest on bonds, loans, advances, or other indebtedness, or pay financing, carrying charges or insurance premiums; and,
- Preserve the availability to lower income households of affordable housing units in housing developments which are assisted or subsidized by public entities and which are threatened with imminent conversion to market rates.

3.5 Public Improvements

Redevelopment of the Project Area in conformance with the adopted Navajo Community Plan and Tierrasanta Community Plan will require construction of public infrastructure improvements as identified as part of community plan implementation. The Agency may, when legally and financially feasible, use redevelopment funds to pay for all or a portion of these project costs.

3.6 Relation To Existing Community Plans

The proposed Redevelopment Project Area is located within three community planning areas, the Navajo, Tierrasanta, and College Area communities. The City has adopted a community plan for each of these areas. These community plans, adopted by the City of San Diego, provide land use guidelines for property within the plans. All redevelopment activities will need to conform to the applicable Community Plan and the approval process for activities covered by the applicable Community Plan.

3.6.1 The Navajo Community Plan

The Navajo Community Plan establishes goals and objectives to guide the growth and revitalization of the Navajo area. Some of the goals and objectives contained in the Community Plan that are relevant to the proposed Redevelopment Project Area include:

3.6.1.1 *Transportation*

- Address substandard level of service for vehicle movement along Mission Gorge Road.
- Complete the extension of the Mission Valley Light Rail Transit Lane to serve the College Area Community.

3.6.1.2 *Commercial Revitalization*

- Continue the ongoing efforts to revitalize the commercial areas along Mission Gorge and Waring Roads.
- Promote interest and commitment by local businesses and the community-at-large in the revitalization of all commercial areas of the community.

3.6.1.3 *Industrial Revitalization*

- Ensure that the appearance and character of industrial uses are compatible with the character of the surrounding commercial and residential areas.
- Develop a circulation network that will provide for less congested access to the Grantville industrial area.

3.6.1.4 *San Diego River Revitalization*

- Continue the ongoing process to complete the San Diego River Master Plan.
- Ensure that future development along the San Diego River is designed to minimize impacts to this sensitive resource.

3.6.1.5 *Economic Restructuring and Reinvestment Goals*

- To enhance Grantville's commercial corridors as neighborhood and community oriented shopping and employment centers.
- To improve accessibility of employment centers within and outside the community.

3.6.1.6 *Utilities*

- Undergrounding of electrical distribution lines and telephone lines along major streets is jointly financed by the City and San Diego Gas and Electric (SDG&E). Priorities for undergrounding are based upon the amount of traffic, congestion of wires, and major scenic routes. The plan recommends continuation of the undergrounding of overhead lines, and recommends that guidelines be established for the timely removal of utility poles once underground facilities are in place.

3.6.1.7 *Parking*

- As a result of historical development patterns, changed demographics and current parking needs, the Grantville community faces problems with the quantity, location and safety of its existing parking supply. Many of the older, predominately commercial and industrial areas were developed with parking standards that were appropriate for the early twentieth-century, but do not meet current demands. Furthermore, the existing parking supply of many projects is found to have inadequate configuration for its location and is unsuited to the needs of current businesses.

3.6.2 *The Tierrasanta Community Plan*

Approximately 130 acres of sand and gravel operations fall under the jurisdiction of the Tierrasanta Community Plan, which was adopted in 1982. The sand and gravel processing area is isolated from the Tierrasanta community at its southeastern corner and has been designated as open space by the Tierrasanta Community Plan.

3.6.2.1 *Open Space*

- Upon termination of the sand and gravel operations, the excavated area should be rehabilitated and a pathway to Mission Trails be provided. Any other use of the property beyond open space uses will require an amendment to the plan.
- Designated open space areas which are not to be acquired by the City should be allowed to apply the adjacent residential density for development purposes.

3.6.3 College Area Community Plan

Transportation land use of the College Area Community Plan is located within the proposed Redevelopment Project Area. This area is right-of-way associated with the Interstate 8 Freeway.

3.7 Intended Uses of the EIR

The following public agencies are expected to use the information contained in this EIR for approvals of actions related to adoption and implementation of the redevelopment project activities:

3.7.1 Redevelopment Agency of the City of San Diego

- Prepare, adopt, and implement Redevelopment Project for Grantville Redevelopment Area;
- Implement projects consistent with Redevelopment Project objectives by means other than redevelopment;
- In conjunction with the Redevelopment Project, undertake some or all of the following activities:
 - a) Approval and implementation of Disposition and Development Agreements (DDAs) and/or Owner Participation Agreements (OPAs);
 - b) Sale of Tax Increment Bonds;
 - c) Approval of funding of public improvements;
 - d) Acquisition and disposition of property;
 - e) Relocation of residents and businesses;
 - f) Construction or rehabilitation of replacement housing; and,
 - g) Approval of other actions incidental to implementation of the above actions.

3.7.2 San Diego City Council

- Adoption of Redevelopment Project;
- Adoption of other plans, or policies for the Redevelopment Area;
- Approval and funding of public improvements;
- Approval of disposition of property; and,
- Approval of General Plan, Community Plan, and rezoning which may be necessary to implement the development/redevelopment of specific sites within the Redevelopment Project Area.

3.7.3 Various City Departments of Commissions

Issuance of any necessary permits which may include:

- a) Permission for construction in public ways;
- b) Excavation and shoring in public ways;
- c) Grading and approval of haul routes for export and import of soil materials;
- d) Demolition, foundations, structural steel, and other building permits;
- e) Installation of public utilities;
- f) Construction of public improvements;
- g) Subdivision maps, parcel maps, lot line adjustments;
- h) Environmental mitigation programs;
- i) Streetscape improvements;
- j) Approval of individual development projects; including conditional use permit, design review, zoning variances, and related other actions;
- k) Subarea improvement plans, streetscape plans, design guidelines and standards and other plans and programs; and,
- l) Related activities.